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CLERK U S DISTRICT COURT DISTRICT OF ARIZONA	
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UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

UNITED STATES OF AMERICA,

Plaintiff,

v.

Hazem Nawaf Arekat,

Defendant.

NO. CR 08-504-PHX-GMS

SUPERSEDING INDICTMENT

VIO: 18 U.S.C. § 1014
(False Statements to a Bank)
Counts 1-3

18 U.S.C. § 1957
(Transactional Money
Laundering)
Counts 4,5,7,8,11

18 U.S.C. § 1343
(Wire Fraud)
Counts 6,9,10

THE GRAND JURY CHARGES:

COUNT 1

On or about August 9, 2001, in the District of Arizona, defendant HAZEM NAWAF AREKAT knowingly made a false statement for the purpose of influencing the action of Bank One (now JP Morgan Chase), the deposits of which were then insured by the Federal Deposit Insurance Corporation, in connection with the application for a \$200,000 line of credit, in that defendant submitted to Bank One fraudulent and fictitious tax returns for tax years 1999 and 2000 which represented to Bank One that defendant's income was higher than reported on defendant's actual returns filed with the Internal Revenue Service.

In violation of Title 18, United States Code, Section 1014.

COUNT 2

On or about October 1, 2002, in the District of Arizona, defendant HAZEM NAWAF AREKAT knowingly made a false statement for the purpose of influencing the action of Bank One (now JP Morgan Chase), the deposits of which were then insured by the Federal Deposit Insurance Corporation, in connection with the application for a refinance loan of \$210,000, in that defendant submitted to Bank One fraudulent and fictitious tax returns for tax years 2000 and 2001 which represented to Bank One that defendant's income was higher than reported on defendant's actual returns filed with the Internal Revenue Service.

In violation of Title 18, United States Code, Section 1014.

COUNT 3

On or about April 17, 2003, in the District of Arizona, defendant HAZEM NAWAF AREKAT knowingly made a false statement for the purpose of influencing the action of Bank One (now JP Morgan Chase), the deposits of which were then insured by the Federal Deposit Insurance Corporation, in connection with the application for a refinance loan of \$210,000, in that defendant submitted to Bank One fraudulent and fictitious tax returns for tax years 2000 and 2001 which represented to Bank One that defendant's income was higher than reported on defendant's actual returns filed with the Internal Revenue Service.

In violation of Title 18, United States Code, Section 1014.

COUNT 4

On or about June 4, 2003, in the District of Arizona, defendant HAZEM NAWAF AREKAT did knowingly engage or attempt to engage in a monetary transaction by, through or to a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000.00, which was derived from a specified unlawful activity, namely a violation of 18 U.S.C. § 1014, in that defendant caused Bank One to generate a \$191,374 cashier's check that was paid to Washington Mutual Bank in connection with the loan obtained from Bank One referenced in Count 3.

1 In violation of Title 18, United States Code, Section 1957.

2 **COUNT 5**

3 On or about June 4, 2003, in the District of Arizona, defendant HAZEM NAWAF
4 AREKAT did knowingly engage or attempt to engage in a monetary transaction by, through or
5 to a financial institution, affecting interstate or foreign commerce, in criminally derived property
6 of a value greater than \$10,000.00, which was derived from a specified unlawful activity, namely
7 a violation of 18 U.S.C. § 1014, in that defendant caused Bank One to generate a \$18,626
8 cashier's check that was paid to a Bank One automotive finance loan for a 2001 Acura in
9 connection with the loan obtained from Bank One referenced in Count 3.

10 In violation of Title 18, United States Code, Section 1957.

11
12 **COUNT 6**

13 On or about September 13, 2005, in the District of Arizona and elsewhere, defendant
14 HAZEM NAWAF AREKAT intentionally devised a scheme and artifice to defraud and to obtain
15 money from a lending institution, First Magnus Financial, by means of materially false and
16 fraudulent pretenses, representations and promises, knowing at the time of the pretenses,
17 representations, and promises were false and fraudulent, to wit: HAZEM NAWAF AREKAT
18 overstated his monthly income in a loan application for a loan that was funded by First Magnus
19 Financial. In furtherance of, and for the purpose of executing the aforesaid scheme and artifice
20 to defraud, defendant did transmit and cause to be transmitted, by means of wire communication,
21 through interstate or foreign commerce, the writings, signs, signals, and pictures, as follows: a
22 wire deposit from Washington Mutual Bank in Stockton, California to an escrow account of
23 Westland Title Agency of Arizona in the amount of \$199,479.00, which was funding from an
24 September 8, 2005 loan application.

25 In violation of Title 18, United States Code, Section 1343.

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COUNT 7

On or about September 13, 2005, in the District of Arizona, defendant HAZEM NAWAF AREKAT did knowingly engage or attempt to engage in a monetary transaction by, through or to a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000.00, which was derived from a specified unlawful activity, namely a violation of 18 U.S.C. § 1343, in that defendant caused Westland Title Agency to generate a \$145,273.81 check that was paid to HAZEM NAWAF AREKAT and Security Title Agency in connection with the loan obtained from First Magnus Financial referenced in Count 6.

In violation of Title 18, United States Code, Section 1957.

COUNT 8

On or about September 13, 2005, in the District of Arizona, defendant HAZEM NAWAF AREKAT did knowingly engage or attempt to engage in a monetary transaction by, through or to a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000.00, which was derived from a specified unlawful activity, namely a violation of 18 U.S.C. § 1343, in that defendant caused Westland Title Agency to generate a \$51,240.34 check that was paid to Homecoming Financial in connection with the loan obtained from First Magnus Financial referenced in Count 6.

In violation of Title 18, United States Code, Section 1957.

COUNT 9

On and or about September 25, 2006, in the District of Arizona and elsewhere, defendant HAZEM NAWAF AREKAT intentionally devised a scheme and artifice to defraud and to obtain money from a lending institution, Metrocities Mortgage, by means of materially false and fraudulent pretenses, representations and promises, knowing at the time of the pretenses, representations, and promises were false and fraudulent, to wit: HAZEM NAWAF AREKAT overstated his monthly income and claimed that 31611 North 18th Lane, Phoenix, Arizona would be his primary residence in an application for a loan that was funded by Metrocities Mortgage.

1 In furtherance of, and for the purpose of executing the aforesaid scheme and artifice to defraud,
2 defendant did transmit and cause to be transmitted, by means of wire communication, through
3 interstate or foreign commerce, the writings, signs, signals, and pictures, as follows: a wire
4 deposit from California to Arizona of \$605,145.74 from Metrocities Mortgage into an escrow
5 account at Westminster Title Agency, which was funding from a September 19, 2006 loan
6 application.

7 In violation of Title 18, United States Code, Section 1343.
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9 **COUNT 10**

10 On and or about September 25, 2006, in the District of Arizona and elsewhere, defendant
11 HAZEM NAWAF AREKAT devised and intended to devise a scheme and artifice to defraud and
12 to obtain money from a lending institution, Metrocities Mortgage, by means of materially false
13 and fraudulent pretenses, representations and promises, knowing at the time of the pretenses,
14 representations, and promises were false and fraudulent, to wit: HAZEM NAWAF AREKAT
15 overstated his monthly income and claimed that 31611 North 18th Lane, Phoenix, Arizona, would
16 be his primary residence in an application for a loan that was funded by Metrocities Mortgage.
17 In furtherance of, and for the purpose of executing the aforesaid scheme and artifice to defraud,
18 defendant did transmit and cause to be transmitted, by means of wire communication, through
19 interstate or foreign commerce, the writings, signs, signals, and pictures, as follows: a wire
20 deposit from California to Arizona of \$107,965.00 from Metrocities Mortgage into an escrow
21 account at Westminster Title Agency, which was funding from a September 19, 2006 loan
22 application.

23 In violation of Title 18, United States Code, Section 1343.
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25 **COUNT 11**

26 On or about September 25, 2006, in the District of Arizona, defendant HAZEM NAWAF
27 AREKAT did knowingly engage or attempt to engage in a monetary transaction by, through or
28 to a financial institution, affecting interstate or foreign commerce, in criminally derived property

1 of a value greater than \$10,000.00, which was derived from a specified unlawful activity, namely
2 a violation of 18 U.S.C. § 1343, in that defendant caused Westminster Title Agency to wire
3 transfer \$676,094.32 from an escrow account to Toll Brothers AZ Limited Partnership in
4 connection with the loans obtained from Metrocities Mortgage referenced in Counts 9 and 10.

5 In violation of Title 18, United States Code, Section 1957.
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9 A TRUE BILL

10 s/
11 FOREPERSON OF THE GRAND JURY
Date: December 3, 2008

12 DIANE J. HUMETEWA
13 United States Attorney
14 District of Arizona

15 s/
16 JOHN BOYLE
Assistant United States Attorney
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